

Monthly review

The month of October was characterised by high volatility due to both escalating tensions in the Middle East between Israel and Iran, and the start of the reporting season, from which investors expect important indications, especially on outlooks for the last quarter of 2024 and for 2025. In this context, the best sectors were in particular financial and banking, while defensive sectors like utilities and pharmaceuticals underperformed. Finally, we are awaiting the more uncertain than ever outcome of the US presidential elections. Operationally, we reduced utilities, after excellent performance, particularly by Enel and regulated companies, while we increased the weight of the banking sector where we continue to prefer UniCredit while waiting to see if the acquisition of Commerzbank will be concluded, but we also like Banco Popolare, Popolare Emilia and Intesa, which reported excellent data, especially in terms of commissions. On the other hand, the industrial sector and specifically automotive remained weak. At reporting level, we had good data for Saipem, on which we remain positive, and data substantially in line for Eni. Negative guidance data also for STM on which we remain underweight, while with regard to Stellantis the negative results had been widely anticipated by the market and at these levels we bought the stock back. Amongst the oil companies, however, we still prefer Saipem and Tenaris to Eni. In the luxury sector, quarterly reports continued to be disappointing for Moncler and Ferragamo. We increased the mid and small cap component to 63%, favouring stocks with attractive valuations. Specifically, we increased Banco Desio, Danieli risp and Fila. The most significant positions among small caps are Sol, Danieli risp, Mondadori, D'Amico, Garofalo and Philogen. The portion of the portfolio invested in single stocks was raised to approx. 103% while, net of hedges, the amount invested is in the 80% area. The dynamic hedging model resulted in a partial hedge, with the domestic market initially staying within the band, before moving away from it in mid-October, albeit in a lateral context. This scenario prompted the management team to apply only a partial hedge.

Key fund information

Assogestioni category	Italian Equity
Inception date	31/01/2014
Nav (Euro)	262,610
Strategy AUM (in Euro)	172.704.281
Benchmark	50% FTSE Mib TR (NET) 50% FTSE Italia Mid Cap TR (NET)

Performance	Fund	Benchmark
YTD	14,27%	11,06%
Last week	-1,32%	-1,38%
Last month	-0,73%	-0,80%
Last 3 months	-0,88%	-0,45%
1 year	28,73%	25,59%
3 years (*)	7,76%	5,87%
5 years (*)	12,01%	8,90%
Since inception (*)	9,40%	8,03%

(*) Compound annual return

Risk statistics

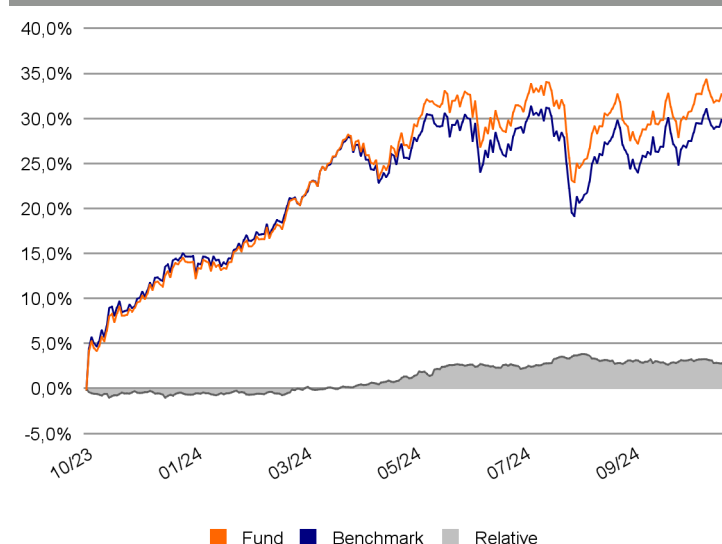
Standard deviation	13,97%	Sharpe ratio	1,36
Standard deviation bench	14,67%	Information ratio	1,15
VaR	-23,05%	Beta	0,95
Tracking error volatility	1,71%	Correlation	0,99

Asset class

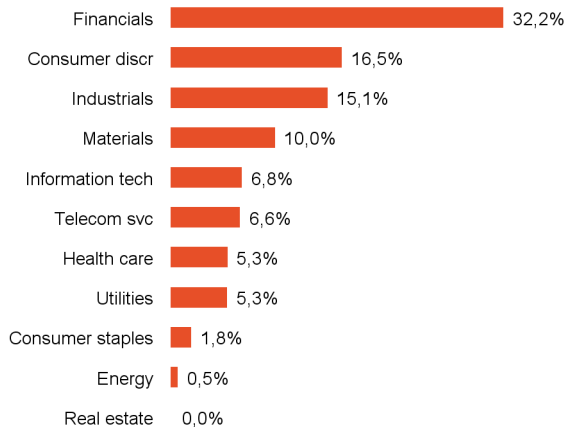
Bonds	-
Liquidity	-3,2%
Shares	103,2%
Total	100,0%

Currency exposure	Gross exp.	Coverage	Net exp.
Europe ex Euro	0,0%	-	0,0%
Dollar	0,0%	-	0,0%
Euro	100,0%	-	100,0%
Emerging countries	-	-	-
Global	-	-	-
Japanese Yen	-	-	-
Pacific ex Japan	-	-	-
Total	100,0%	-	100,0%

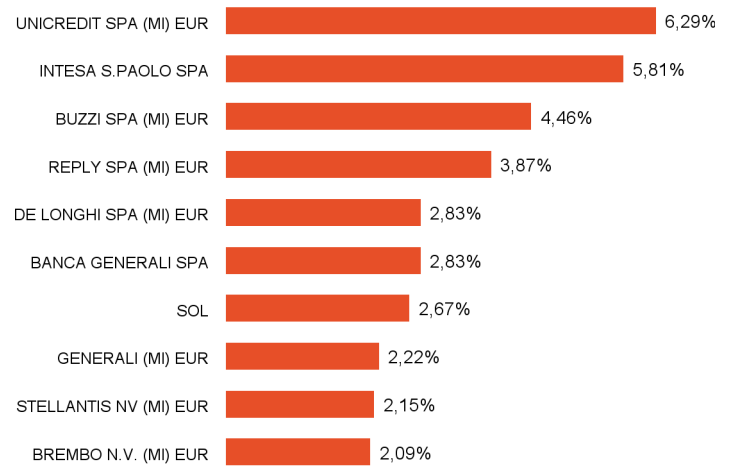
Equity portfolio structure	Shares	Derivat.	Total
Italy	95,5%	-	95,5%
Europe ex Italy	7,7%	-	7,7%
America	-	-	-
Japan	-	-	-
Pacific ex Japan	-	-	-
Emerging countries	-	-	-
Total	103,2%	-	103,2%

Performance over last year


Composition by sector



Main securities in the portfolio



Fund technicals

Management Company	Ersel Gestion Internationale SA
Investment Manager	Ersel Asset Management Sgr SpA
Custodian bank	Caceis Bank Luxembourg SA
Independent auditors	Ernst & Young S.A.
Offices of Ersel Group	Piazza Solferino, 11 - 10121 Torino +39 01155201 Via Caradosso, 16 - 20123 Milano +39 02303061 Via M. D'Azeglio, 19 - 40123 Bologna +39 051273232 35 Boulevard Joseph II, L-1840 Luxembourg
Base currency	Euro
ISIN code	LU1011691893
Bloomberg code	GLBPMIA LX
Frequency of NAV calculations	Daily
Performance fee	15% of the difference recorded in the reference period between the percentage change in the unit value in the calendar year and the percentage change in the benchmark in the same period.

Investment objective

The fund predominantly invests in equity instruments listed in Italy or in shares of Italian issuers denominated in both Euro and foreign currency. Investments are made in small, medium and large capitalisation companies with the goal of obtaining adequate diversification in all economic sectors. The fund's main objective is appreciation of the value of capital over a long-term time horizon (indicatively over 7 years) with a high risk level. The investment philosophy is based on the centrality of fundamental analysis both by sector and individual company. Decisions are therefore made following research activity based on income prospects, valuation levels, cash flow analysis and risk control.

Isin	Currency	Min.initial Subs.	Mgmt. fee	AUM (mIn€)
LU1011691893	Euro	2.000.000 euro	0,9%	72,29
LU1011692438	Euro	2.500 euro	1,75%	100,42
Total				172,70

Risk level



The synthetic risk indicator assumes that the product is held for 5 years and is an indicative indication of the level of risk of this product compared to other products.

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